

Dodd, After Election to Senate, Yields Right to \$41,666 From Guatemala

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Chicago Daily News Service

Thomas J. Dodd, the new Democratic Senator from Connecticut, disclosed yesterday that he is giving up his rights under a lucrative law contract he has had with the Republic of Guatemala.

Dodd was one of the best friends Guatemala had in Congress during his term in the House, which ended in 1956, when he was defeated.

On June 7, 1956, Dodd introduced an amendment to the Mutual Security Act which increased Guatemala's portion of foreign aid from \$10 million to \$15 million.

"If Guatemala should lose its confidence in us, it will crack," he told the House at that time.

In May, 1957, four months after his term as a Congressman ended, Dodd entered into an agreement with Luis Cruz Salazar, then the Guatemalan Ambassador to the United States, to represent Guatemala "as legal counsel in the United States."

It was agreed that Guatemala would pay Dodd \$50,000 a year for two years, or a total of \$100,000, in equal monthly installments, payable in advance.

60-Day Notice

In a letter to Ambassador Cruz Salazar, Dodd said that it was understood that the contract could be terminated by either party on 60 days notice.

In the event, however, that the contract was in force for a year, Dodd wrote, "you will pay me, in liquidation of this agreement, the difference between the sum of \$100,000 and the total of all amounts paid to me on account of my fee as of the date of cancellation."

On Nov. 5, 1958, the day after his election to the United States Senate, Dodd gave a statement with the Department of Justice announcing

the termination of his agreement with Guatemala.

The total payments from the Guatemalan government to Dodd, according to the foreign agents registration file in the Department of Justice, amounted to \$58,333.33.

Thus, since his contract with the government of Guatemala was in force for more than a year, Senator Dodd is entitled to collect \$41,666.67.

Guatemala Notified

Dodd said yesterday that he has already notified the Republic of Guatemala that he waives his legal right to this \$41,666.67.

Sheldon Z. Kaplan, a Washington attorney who was an employee of the United States until July 31, 1957, shares equally in the sacrifice of Dodd's.

Kaplan was a member of the staff of the House Foreign Affairs Committee, and a respected expert on foreign aid in Latin America.

Kaplan registered with the Department of Justice on Sept. 16, 1957, disclosing that he was Dodd's legal assistant.

Kaplan reported that "the registrant (Dodd) and the undersigned (Kaplan) have agreed to share equally all legal fees received from the government of Guatemala, effective Aug. 1, 1957."

The effective date of Kaplan's equal share in Dodd's fees from the Republic of Guatemala was the first day in which Kaplan was not an employee of the United States.

Months of Leave

Actually, Kaplan had ceased his active work with the House Foreign Affairs Committee on June 30, 1957, and the month of July, 1957, was regarded as terminal leave time.

Kaplan described his role with Dodd in the Guatemalan account as that of "general

legal assistance."

Kaplan travelled extensively in Latin America as a staff member of the House Foreign Affairs Committee.

Kaplan's first official visit to Guatemala as an employee of the United States was from Feb. 13 to Feb. 19, 1957.

The purpose of this and other visits outside the country, Kaplan said in his "short form" registration with the Department of Justice, was "to render staff assistance to Congressional study mission."

Kaplan's first payment from Dodd in his role as legal advisor on Guatemalan problems came on Aug. 13, 1957. His initial payment was \$2083.33. Subsequent payments from Dodd to Kaplan for the remainder of the year 1957 were \$2083.33 on Sept. 30, the same on Oct. 31, and the same on Nov. 15 and Dec. 16.

Payments Continued

Payments from Dodd to Kaplan continued at the rate of \$2083.33 per month from January to June of 1958, according to the report on file in the Department of Justice.

Kaplan declined to comment on his role in the lucrative law contract.

"I will not be put in a position of being questioned," he said, and referred a reporter to Dodd.

Dodd said that Kaplan had nothing to do with setting up the contract. The Senator said that Ambassador Cruz Salazar approached him first, and suggested that he represent the Republic of Guatemala in the United States.

Dodd said he entered into the agreement to share his fee with Kaplan because of his great regard for Kaplan's abilities. He and Kaplan were in other law business jointly after they were both out of the service of the Government, Dodd added.